through a telephone network to establish telephone calls via a server of the computer network, said telephone apparatus comprising:

a first telephone set including

a first audio input/output means for converting

input voice into a first output digital audio signal and

for converting an input digital audio signal into output

voice, and

a first CPU that executes processing for connecting said first telephone set to said server and selectively compressing or expanding said digital audio signal; a second telephone set including

a second audio input output means for converting input voice into a digital audio signal and for converting an input digital audio signal into output voice,

a second CPU that executes processing for connecting said second telephone set to said server and processing for selectively compressing or expanding said digital audio signal,

a modem for connecting to a single telephone line of said telephone network, and

modem and said first CPU and said second CPU to enable
said first CPU to transmit and receive said first audio
data via said server and said second CPU to transmit and
receive audio data via said server, wherein said audio

data of said first telephone set and said audio data of said second telephone set are formed as data packets including address data for communicating with said first CPU of said first telephone set and said second CPU of said second telephone set, wherein said server assigns a first address to said [first CPU of said] first telephone set and a second address to said [second CPU of said] second telephone set as said address data.

--5. (Thrice Amended) [The] A telephone apparatus [according to claim 2,] for connection to a computer network through a telephone network to establish telephone calls via a server of the computer network said telephone apparatus comprising:

a first telephone set including

a first audio input/output means for converting
input voice into a first output digital audio signal and
for converting an input digital audio signal into output
voice, and

a first CPU that executes processing for connecting said first telephone set to said server and selectively compressing or expanding said digital audio signal; a second telephone set including

a second audio input/output means for converting input voice into a digital audio signal and for converting an input digital audio signal into output voice,



52300

a second CPU that executes processing for connecting said second telephone set to said server and processing for selectively compressing or expanding said digital audio signal,

a modem for connecting to a single telephone line of said telephone network, and

modem and said first CPU and said second CPU to enable said first CPU to transmit and receive said first audio data via said server and said second CPU to transmit and receive audio data via said server, wherein said audio data of said first telephone set and said audio data of said second telephone set are formed as data packets including address data for communicating with said first CPU of said first telephone set and said second CPU of said second telephone set, wherein said server assigns an address to said connection control means as said address data.

according to claim 5, wherein said data packets include first and second identifying numbers in addition to said first and second audio data to distinguish data for said first CPU from data for said second CPU, and said connection control means recognizes said first and second identifying numbers to deliver said data packets to one of said first CPU and said second CPU in response to a respective one of said first and